

Catch22 Multi Academies Trust Limited

**Annual Report and Financial Statements
For the year ended 31 August 2020**

Company Number: 08299181

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Reference and Administrative Details

Members	Catch22 Charity Limited (represented by Terry Duddy) Chris Wright Elaine Bailey
Trustees	Pauline Campbell (appointed 18 September 2019) Pamela Dow (resigned 18 September 2019) Chris Wright Katherine Grant Kevin Munday (resigned 17 December 2020) Francesca Pollard (resigned 17 December 2020) Tom Richmond (appointed 17 December 2020) Heidi Stewart (appointed 17 December 2020) Laura Trendall-Morrison (appointed 17 December 2020)
Company Secretary	Daniel Jansen
Senior Leadership Team (SLT)	Jane Reed Daniel Jansen David Moran John Shanahan
Accounting Officer	Jane Reed
Principal and Registered Office	27 Pear Tree Street London EC1V 3AG
Company Registration Number	08299181 (England and Wales)
Independent Auditor	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Bankers	Barclays Bank plc Level 27, 1 Churchill Place London E14 5HP
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR

Trustees' Report

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period from 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Structure, Governance and Management

Governance of the Multi Academy Trust (MAT) operates at 3 levels:

- 1 - Members
- 2 - Trustees of the MAT
- 3 - Local governing bodies

Constitution

The MAT is a company limited by guarantee and an exempt charity. The company's articles of association are its primary governing documents. The members of the academy trust are Catch22 Charity Limited (represented by Terry Duddy, Chair of the Board of Catch22), The CEO of Catch22, Chris Wright and Elaine Bailey, an independent trustee of Catch22.

A formal sponsor agreement between Catch22 Charity and The Catch22 Multi Academies Trust setting out the relationships, specific interests and responsibilities of both parties is in place. This will be reviewed annually to ensure it remains fit for purpose in meeting the needs of both organisations.

Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees

The trustees of the academy trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Catch22 Multi Academies Trust Limited. Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 3.

Trustee Indemnities

The academy trust has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000.

Trustees' Report (continued)

Method of Recruitment and Appointment or Election of Trustees:

The Board reviews its effectiveness continually, looking at the skills and performance of trustees. When new trustees are to be appointed, the board will agree at that time an appropriate process and criteria for the recruitment based on the skill and capability requirements of the board, governance and good practice for multi academy trusts, and the requirements of the company's governing documents.

Policies and Procedures Adopted for the Induction and Training of Trustees

Trustees are briefed regularly by the executive team on educational development areas such as DFE policy updates on the Academies Handbook and other academy matters through board meetings which are held 4 times a year and by circulating appropriate papers including those from the DFE & ESFA.

They are all individuals with experience of education and business management in other organisations. Induction for new trustees will be reviewed at the time according to their experience and knowledge.

Trustees undertake mandatory training for:

1. Health and Safety
2. Safeguarding
3. Trustee governance and responsibilities.

The effectiveness of the trustees will be assessed annually based on the Academies Handbook guidance and the 21 defined criteria.

Key functions of the trustees and board are:

1. Setting MAT strategy
2. Agreeing the annual strategic plan for the MAT
3. Approving individual academies' plans
4. Financial oversight and accountability
5. Appointing the CEO/Executive Principal & approving the appointment of Headteachers

Local Governing Bodies (LGBs)

Each Academy within the MAT has and will have a local governing body that will hold the MAT to account in ensuring their academy benefits from the oversight, investment and direction the MAT is expected to provide. Local governing bodies work to a clear delegation scheme. Each governing body has at least 9 governors including the chair and at least two parent governors.

Local Governing body minutes are reviewed by the MAT board and are available on the relevant academy's website, LGB chairs are invited to meet MAT trustees annually and also have a termly meeting with the Chair of Trustees, MAT CEO and CFO.

Trustees' Report (continued)

Key local governing body functions include:

1. Admissions policy adherence
2. Annual performance reviews of staff
3. Attendance and progress of learners
4. Risk management at academy level
5. Community engagement

Organisational Structure

The academy trust was established in November 2012 at the instigation of Catch22 Charity Limited.

The role of the sponsor and that of the MAT are documented in a "Sponsor Agreement" which outlines the relationships, roles, responsibilities and services to be provided by the parties

There is a scheme of delegation in place which sets out what matters are reserved for the MAT and what is delegated to the CEO/executive principal and senior management in the academies and local governing bodies. This can be viewed on the MAT web site.

Decisions reserved for the MAT board include (among others) recruiting the CEO, the vision and ethos of the MAT and its Academies, strategic direction, performance and impact of the academies, performance management of the CEO and approving the annual budgets.

Matters delegated to the CEO include (among others) developing and implementing an appropriate curriculum, ensuring appropriate performance targets are set for Trust Leadership and Headteachers and completing annual reviews.

The MAT board monitors progress and makes decisions on a quarterly basis through a board meeting, the details of which are minuted and publicly available. Additionally, Trustees meet at least annually to discuss strategy.

Setting Pay and Remuneration of Key Management Personnel

Setting Pay and Remuneration of Key Management Personnel is the responsibility of the remuneration committee. In setting pay and remuneration they consider performance management information and relevant benchmarks within the sector.

Trade Union Facility Time

No employees of the Trust were relevant trade union officials in the current or comparative year.

Connected Organisations including Related Party Relationships

The academy trust is connected to Catch22 Charity Limited and its subsidiaries by virtue of employees and trustees of Catch22 Charity Limited being trustees of the academy trust.

A key expectation is that the academy trust will benefit from these connections in terms of sharing and developing educational expertise, referring academy trust pupils in the future to other Catch22 Charity services where this is appropriate and value for money, and sharing corporate services where also appropriate and value for money.

Trustees' Report (continued)

Objectives and Activities

Objects and Aims:

The specific object of the academy trust, as set out in detail in its governing articles, is to advance for the public benefit education in the United Kingdom. In particular this is to be achieved through the operation of alternative provision and specialist schools for those young people either excluded or at risk of exclusion from mainstream provision.

Public Benefit

The trustees are aware of the Charity Commission guidance on public benefit and consider that the company's objectives and aims and plans for future activities are for the public benefit. In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: running a charity (PB2)'.

What the MAT provides

A school which is part of the Catch22 MAT can expect infrastructure support, improvement to pastoral, therapeutic and mentoring provision, and greater focus on preparing young people for the world of work. It will increase access to one-to-one and small-group mentoring opportunities through a mixture of off-site, extra curricular events in order to improve learners' self-esteem and self-confidence.

Academy leaders can expect to participate in high quality training and development, enhance their commercial as well as business management skills, which sit along-side expertise in alternative and specialist (SEMH/SLCN) education provision.

Academy staff can expect to work in an environment of progressive, supportive challenge providing individuals with opportunities to increase their knowledge and skills & professional development .

The MAT will drive a culture which is one of:

- **Empowerment:** High professional standards - rigorous and challenging both of ourselves and others.
- **Curiosity:** Openness to change and innovation and willing to learn – from others and from mistakes. Research and evidence-based in approach.
- **Compassion:** Child-centric - supportive and non-judgemental of young people and each other.
- **Collaboration:** both within the MAT and across the wider sponsor organisation and externally through strategic partnerships.

Trustees' Report (continued)

Strategic Report

Objectives, Strategies and Activities

Vision and Purpose:

Catch22's Vision is to deliver better social outcomes through transforming public service through the 3Ps:

- Place - supporting people to find, retain, transition safely into homes and communities
- Purpose - Working with people to achieve their purpose in education, employment or training
- People - Building networks of people around individuals.

Our schools cater for young people aged 4-16 who are outside of mainstream education, many of whom have troubled and challenging backgrounds. We embody our Vision in all we do to ensure our young people are supported fully to achieve these goals.

Our Education Mission is:

To enable young people to progress and succeed in sustained education, training or employment.

We do this through engaging young people positively with their purpose through learning and future life aspirations. All our learners achieve positive outcomes, thrive and enjoy a quality education that is delivered by skilled, passionate people with high expectations in a place that is safe, high quality and appropriate.

Our Education Intent is focussed on six core principles:

- 1. Brilliant basics, magic moments.** *We model this by:*
 - Supporting pupils to gain academic qualifications, experiences and the skills needed to move successfully to the next stage in life.
 - Providing a values-based curriculum, working with pupils to build their spiritual, moral, social and cultural capital and personal development.
- 2. Relationships beat structures.** *We model this by:*
 - Treating pupils as individuals and helping them to build bright futures in both their personal and professional lives
- 3. Things about you, built with you, are for you.** *We model this by:*
 - Understanding pupils' unique needs and helping them overcome their barriers to learning
 - Engaging young people with a broad and rich curriculum so they can realise their ambitions
 - Making our pupils' voices heard and harness participation to benefit pupils and help our schools to improve.

Trustees' Report (continued)

4. Unleash Greatness. *We model this by:*

- Having high aspirations for our pupils so they leave us prepared for life in modern Britain and the wider world.
- Instilling belief in pupils so they can progress and succeed in education, training and employment

5. Let robots be robots and humans be human. *We model this by:*

- Ensuring pupils have a rounded understanding of themselves and the world around them.
- Harnessing curiosity and nurturing a love of learning.
- Supporting and protecting our pupils to be safe and feel safe online and offline.

6. Incubate, accelerate, amplify. *We model this by:*

- Embracing the values of 'Rights Respecting Schools'
- Helping pupils thrive as individuals both as members of their school and the wider community.

Our Education Impact is targeted, monitored and evaluated through a series of consistent impact measures linked to our education intent.

Quality of Education Impact is measured by:
Young people progress and succeed in sustained education, employment and training.
% of learners in sustained positive destination (EET) after 0, 3 (Oct), 6 (Feb), 12 (July) months
% of learners on pathway for positive destination (EET) on exit.
% of KS4 learners on pathway of accredited qualifications for English and Maths
% of KS4 learners on pathway of 5(+) appropriate accredited qualifications (including English & Maths)
% of learners achieving accredited qualification in English
% of learners achieving accredited qualification in Maths
% of learners achieving accredited qualifications in English and Maths
% of learners achieving 5+ accredited qualifications (including English & Maths)
No. of Qualifications entered
Average qualifications entered per learner
No. of qualifications achieved
Average qualifications achieved per learner
Pupils are engaged and make at least good progress (by following a 'fit for purpose' curriculum).
% of teaching and learning that is good/outstanding
% of learners making at least good progress in all subjects (academic flight path)
% learners achieving at least expected grades in all subjects (new metric)
Vulnerable group learners achieve at least the same level of progress as their peers
% vulnerable group learners making at least good progress in all subjects (academic flight path) (LAC, PPG, Non-PPG, BAME, WBB, 'Most Able')
% vulnerable group learners achieving at least expected grades in all subjects (new metric)

Trustees' Report (continued)

Behaviour and Attitudes Impact measured by:
Positive and consistent approach secured to pupil behaviour for learning.
No and % Whole School Place
No & % Whole School Purpose
No & % Whole School People
Restrictive Physical Intervention (RPI) No & % Pupils involved
Restrictive Physical Intervention (RPI) No & % Staff involved
% of students excluded
% excluded sessions
No and % High/Medium/Low Risk Behaviour Incidents
(High/Medium/Low risk Behaviour categorised from standardised list classification)

Personal Development Impact measured by:
% Whole School Attendance
% Authorised attendance
% Unauthorised absence
% pupils with improved attendance from baseline (cumulative)
% pupils with decreased unauthorised attendance (cumulative)
% pupils with 95% or more attendance
% pupils L Code (punctuality)
% & no. pupils on part-time timetable
% & no. pupils returned to full-time timetable
% of students who have been excluded (cumulative)
Average length of each exclusion (sessions)
% of authorised absence which is E codes
% of students who 'feel safe' in school (pupil survey)
% of students who 'are safe & feel safe' in school

Trustees' Report (continued)

The Trust has increased in size rapidly over the last three years and is now comprised of 7 Academies:

- Ashwood (AP – September 2014)
- Burton (AP – April 2017)
- Brunel (SEMH – April 2017)
- The Spires (AP – May 2017)
- Everitt (SEMH – September 2017)
- Fen Rivers (SEMH - June 2018)
- Coppice Spring (SEMH – September 2019)

The Coppice Spring Academy joined the Catch22 MAT in September 2019 and has been supported with a strong and effective transition and induction to Catch22.

The planned opening of Austen Academy from April 2021 will realise the exciting vision of a 3-school Hub place-based delivery model in Basingstoke.

An overview of our quality of education outcomes data for the overall trust over the last 3 years is below and demonstrates a positive upwards trend.

Academic Year	No. of Learners	English Achievements				Maths Achievements				English & Maths Achievements					Science Achievements		
		% Achieving English - All Quails	% Achieving English GCSE 1/G+	% Achieving English GCSE 4/C+	% Achieving English at L2 (FS)	% Achieving Maths - All Quails	% Achieving Maths GCSE 1/G+	% Achieving Maths GCSE 4/C+	% Achieving Maths at L2 (FS)	% Achieving both English & Maths - All Quails	% Achieving both English & Maths GCSE 1/G+	% Achieving both English & Maths GCSE 4/C+	% Achieving both English & Maths GCSE 5+	% Achieving English & Maths at L2 (FS)	% Achieving Science - All Quails	% Achieving Science GCSE 1/G+	% Achieving Science GCSE 4/C+
17/18 AY	62	92%	73%	8%	10%	74%	60%	5%	5%	69%	56%	2%	0%	0%	42%	6%	3%
18/19 AY	67	84%	69%	10%	9%	84%	66%	15%	7%	73%	60%	10%	4%	3%	36%	22%	4%
19/20 AY	87	91%	83%	22%	10%	93%	79%	20%	9%	87%	75%	9%	3%	6%	45%	15%	1%

Trustees' Report (continued)

Academic Year	GCSE Entries & Achievements												All Quails Entries & Achievements									
	Total No. of GCSE Entries	% Entered for at least 1 GCSE	% Entered for GCSE or equivalent L2 Qual	% Entered for English GCSE	% Entered for Maths GCSE	% Entered for English & Maths GCSE	% Entered for Science GCSE	% of GCSE Entries Achieved (1-9)/(A*-G)	% of GCSE Entries Achieved (4-9)/(A*-C)	% Learners Achieving at least 1 GCSE (9-1)	% Learners Achieving at least 1 GCSE (9-4)	% Learners Achieving at least 1 GCSE (1-9) or equivalent L2 Qual	% Learners Achieving at least 1 GCSE (4-9) or equivalent L2 Qual	Entered 5+ Quails incl English & Maths	% Entered 5+ Quails incl English & Maths	Achieved 5+ Quails incl English & Maths	% of those Entered for 5+ Quails who Achieved 5+ Quails	% Learners Achieving 3+ Quails	% Learners Achieving 4+ Quails	% Learners Achieving 5+ Quails	Avg Entries per Learner	Avg Achievements per Learner
17/18 AY	132	84%	89%	82%	84%	82%	8%	76%	9%	76%	15%	76%	26%	9	15%	7	78%	52%	32%	11%	4	3
18/19 AY	173	88%	88%	81%	88%	81%	22%	81%	16%	76%	18%	76%	27%	14	21%	12	86%	64%	40%	18%	4	3
19/20 AY	268	98%	98%	84%	95%	82%	15%	91%	20%	87%	34%	87%	45%	39	45%	36	92%	75%	62%	43%	5	4

COVID Impact

The Trustees acknowledge the leadership and resilience demonstrated by every Headteacher, the Executive Principals and Education SLT colleagues during the Covid-19 challenge. Our schools have remained open for our pupils throughout and the new provision arrangements put in place and the demonstrable impact have been captured by Headteachers in a consistent format as important self-evaluation evidence.

Our approach and communications have emphasised consistently 'if we can do so safely then we will' and our planning principles have remained constant throughout:

- Staff must be confident that they are safe.
- School leaders must be confident in the arrangements they put in place adhere to the government guidance.
- Parents and pupils must be confident enough in our arrangements so pupils attend.

Our School's Health & Safety Risk Assessments and the continual review of these in line with DfE updated guidance have enabled Headteachers to plan and review local arrangements, decision-making and communications with stakeholders consistent with our planning principles.

The Trust have developed comprehensive remote learning systems and resources to ensure continuity of learning where individual students or groups of students are required to isolate at home. This is delivered together with robust systems and processes to ensure pupil welfare and safeguarding is proactively monitored.

Trustees' Report (continued)

Furthermore, throughout this extra-ordinary time period the focus and actions of all leaders on our strategic priorities has continued at pace and the progress and positive impact realised this academic year is demonstrable.

We have had 3 Ofsted Inspector Visits during the Autumn Term 2020:

- Coppice Spring Academy (27.10.20)
- Fen Rivers Academy (10.11.20)
- Everitt Academy (01.12.20)

All three Headteachers have reported that the ethos and approach of the Ofsted Inspectors during the visits was supportive and the conversations were positive. The published letters have provided a positive validation of the efforts and energy of our school leaders and school teams of the improvement work and progress of the schools in the context of the Covid challenge.

Regular communication takes place in relation to Covid-19 via a weekly newsletter to all education staff, twice weekly SLT briefings and wider dissemination and understanding within schools. This includes updates on latest guidance, advice and expectations and recording/reporting of activity data across the education group of schools.

Our schools have had a successful start to the new academic year through well-planned arrangements for phased returns and re-integration. Priority lens on:

- attendance
- health, safety and safeguarding
- re-integration, learning readiness and personalised catch-up
- zero NEET and maintaining positive destinations (2019/20 Yr11s)

Strategic Priorities

The Trust's strategy is focussed on raising standards - consolidating and further improving the good quality that exists and addressing any weaknesses swiftly – so that all our pupils access consistently high performing alternative and specialist provision and achieve comparable outcomes with their peers. .

The Trust promotes system leadership and empowers professional practitioner networks and collaboration across its academies and within its sponsor organisation to further develop quality, capacity and innovation. . Ultimately, ensuring best possible a great set of learner outcomes and that the experience within our settings is transformative with a shared goal of returning to mainstream wherever possible.

The Trustees' Priorities for 2019/20 were identified in conjunction with Regional Schools Commissioner as part of an Annual Review process.

Trustees' Report (continued)

Priority 1: To continue the urgent work to address the weaknesses identified by the two inadequate judgements at Everitt and Fen Rivers Academies

- Significant strengthening in the quality of leadership and management within the schools and at Trust level has made a significant, positive impact on the pace of improvement against the School Action Plans.
- The schools have been effectively stabilised, fundamental review of provision formats completed and the associated new arrangements implemented in readiness for September 2020. The autumn term 2020 will provide an opportunity to review impact.
- Suffolk Local Authority has agreed to the Education CEOs proposal for a joint Improvement Board approach from Sept 2020 for the Everitt School. The LA has fed back that their confidence has increased in the Trust's ability to be able to turn the provision around and to seek swift improvements. Furthermore, due to the increasing confidence that they have in the Trust, and in Alison Whitehead the new Headteacher, the LA is now able to consider new placements at the school whilst also ensuring that the close monitoring and regular improvement board meetings remain.
- Norfolk LA is already involved in a joint Improvement Board for the Fen Rivers School. Feedback has expressed their confidence in the Trust leadership and the Headteacher and the progress made at the school and the capacity to improve. Work is required to support the development and effectiveness of the LGB.

Priority 2: To support the uninspected academies to address vulnerabilities ahead of likely inspections this academic year.

- Ofsted inspections at both academies took place in February 2020.
 - Burton *OE= 3 RI / QofE =3 RI/ B&A =2 Good/ PDW= 2 Good /L&M = 2 Good*
 - Brunel *OE= 3 RI / QofE =3 RI/ B&A =3 RI/ PDW= 2 Good /L&M = 2 Good*
 - Post Ofsted Reviews and priority areas for development incorporated into School Improvement plans and include both School and Trust activity.
- Spires Academy awaits its first inspection. The current self-evaluation has improved over the Autumn Term 2019:
 - Spires *OE= 3 RI / QofE =3 RI/ B&A =2 Good/ PDW= 2 Good /L&M = 2 Good*
- L&M evaluated as 'Good/Grade2' in all Academies and positive references during the inspection to the evidence and impact of new Trust structure and systems put in place since Sept 2019

Priority 3: To continue to implement a robust quality assurance and monitoring framework for the academies (and independent schools), including the necessary support and challenge for Head teachers, and accurate monitoring of the quality of education.

- Schedule of Trust Leadership QA visits established and standard format for Trust Leadership Visit Reports introduced.

Trustees' Report (continued)

- Formal Academy Joint Reviews led by Executive Principals in conjunction with Trust Leaders (termly) . In addition to informal drop-in visits and presence in schools.
- Education Calendar sets out clear expectations for monitoring activity.
- Half-termly, data driven, whole school self-evaluation completed by Head teachers with Executive Principals and Local Governing Bodies. Formal half-termly review meetings with Trust leadership provides forum for effective support and challenge, priority analysis and interventions.
- Accurate self-evaluation corroborated at recent Ofsted inspections and Ofsted visits to review effectiveness of arrangements during Covid.
- Positive feedback from Head teachers regarding Trust support and presence. Participation in national forums, approach to self-evaluation and regular SEF/SIP review meetings with Trust Leadership is highly effective in reinforcing targets (high expectations), support and challenge and targeted intervention and development activity.

Priority 4: To implement plans for strengthening governance, including a firm grasp of strategic priorities, an accurate view of performance, and robust challenge of the executive team when necessary

- Trustee role profile, induction and mandatory training programme in place.
- Trustee Annual skills audit completed and reviewed in conjunction with National Governance Association
- Successful recruitment of additional high-calibre Trustees
- Link-Trustees and involvement with LGBs established.
- National Governance Forum established strengthening development opportunities for Chair of Governors and Link-trustees.
- LGB self-evaluation framework in place.
- New Scheme of Delegation consulted with LGB CoGs and approved by the MAT Board
- Effective KPI/target setting, performance monitoring and self-evaluation reporting to the MAT Board.

Priority 5: To continue to work on the Austen Academy free school project to ensure that it is rated good or better and is financially viable when it opens.

- Project management approach developed to ensure DFE sign-off of the Funding Agreement achieved and the Academy is ready to open by the target date.
- Project manager, project plan, and steering group structure, organised in six distinct workstreams, are in place to guide the required activities.
- A Steering Group provides risk management and project budget monitoring to ensure that all key milestones are achieved; the lessons learned from previous projects applied; and that the school is ready to open with appropriate policies, resources, systems, governance and curriculum in place. The steering group is chaired by the Education CEO and includes representatives from central Catch22's HR and Business Services, the CFO, the Headteacher Designate, LGB Chair and Executive Principal.
- Catch22 service leads for IT, Governance & Risk, Safeguarding etc. are involved in specific workstreams.
- Steering group has responsibility for 'readiness to open the school' sign off.

Trustees' Report (continued)

Consultation and feedback

During 2019/20 we have secured feedback on our approach through stakeholder surveys with staff, pupils, parents and external agencies to support self-evaluation, priority analysis and interventions to ensure provision is accessible and continually improving in line with the Trusts' stakeholder expectations and aspirations.

Future Focus

Going forward the Trust will seek to maximise its effectiveness in delivering for pupils through developing external focussed collaborations with other schools and wider alliances with stakeholders in the education system and locality-based strategic partnership working.

A key priority is to embed a coherent identity, consistent practice aligned with policy and systematic review and development across the portfolio of academies so that our mission, values and educational intent:

- drives up standards in the quality of education,
- supports recruitment, retention and development of the best staff.

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. The impact of the Coronavirus pandemic has been considered as part of this process and at present this has had no significant impact on the finances of the Trust. For this reason, it has followed the going concern basis in preparing accounts that can be found in the Statement of Accounting Policies.

Financial Review

The Trust's income is obtained from three main sources; Department for Education recurrent grants, "top-up" funding from the Local Authority and charges made directly to schools. The income received from these sources during the year ended 31 August 2020, and the associated expenditure, are shown as Restricted General Funds in the statement of financial activities.

During the year ended 31 August 2020, the academy trust incurred total expenditure of £9,712k (2019: £8,953k). Total incoming resources for the year were £17,475k (2019: £13,696k)

The Trust held total fund balances at 31 August 2020 of £24,932k comprising of general funds of £1,287k, fixed assets of £26,327k and a pension scheme liability of £2,682k.

The deficit in the Local Government Pension Scheme (LGPS) is recognised on the balance sheet in accordance with FRS102. At 31 August 2020 the deficit stood at £2,682k (2019: £1,499k). The existence of the pension scheme deficit does not mean an immediate liability crystallises and is addressed over a series of years through pension contributions recommended by the pension scheme actuaries during subsequent valuations of the scheme.

Trustees' Report (continued)

Funding from grants has been spent in accordance with the conditions that are attached to them. Where not used during this financial year, they have been carried forward to be spent in the next or future financial years.

The Coronavirus has not impacted the Trusts financial sustainability so far although the Trustees continue to monitor the situation to guard against and plan for any future impact.

Reserves Policy

For the current financial year, the approach has been to meet essential expenditure with respect to the running of our open Academies and the Trust as well as the on-boarding of the new academies. The carrying forward of unspent funds is primarily for school improvement and finalising on-boarding, making them available in the next and future financial years. The nature of the funding received during the year is such that all reserves at 31 August 2020 are restricted. At the balance sheet date the restricted reserves were £1,287k (2019: £1,203k), which the trustees consider to be sufficient to run the now 7 open Academies for the foreseeable future and on-board any new academies. It is felt that the current reserves are adequate to mitigate any financial risk that Coronavirus may present.

Following the addition of The Spires Academy permanent site and The Coppice Spring Academy, the fixed asset reserves at 31 August 2020 were £26,327k (2019: £19,206k).

As a result of accounting for the Local Government Pension Scheme (LGPS) a pension fund deficit of £2,682k as at 31 August 2020 (2020: £1,499k) has been recognised within restricted reserves. The academy trust is paying contributions at the rate recommended by the actuary and payments in respect of the deficit will occur over a number of years.

Free reserves at 31 August 2020 were £nil (2019: £nil). As the MAT has the ongoing support of Catch22 Charity Limited the trustees of the MAT are not concerned by this position, but moving forward the trustees will review the reserves policy annually and will explore ways of building free reserves to cover any unforeseen expenditure and allow future investment.

Investment Policy

As set out in its governing articles the academy trust has the powers to deposit or invest any funds belonging to it not immediately required for the furtherance of its object. At present, the policy is to deposit funds in a current account held at a stable and substantial bank.

Principal Risks and Uncertainties:

The trustees discussed the principal risks and uncertainties facing the academy trust during the period under review. These were completed as part of the due diligence process undertaken by the MAT.

They related to obtaining greater clarity around funding and costs in future periods, improving/maintaining the quality of education, the condition of premises, and the impact of pension liabilities. In the view of the trustees, these and other risks were sufficiently understood and mitigated.

Trustees' Report (continued)

Key ongoing risks include:

1. Continuing to secure places and revenue to fund the ongoing business of the MAT & the Academy, including any impact that Coronavirus may present.
2. Increases to pension liabilities and increments in pay, impacting on Academy running costs.
3. Ensuring buildings for all Academies are appropriate and fit for purpose over the long-term.
4. Future changes to Education legislation and commissioner funding for AP and special schools.
5. Achievement of Good/Outstanding OFSTED grades.
6. Continuing to secure good teachers in all subjects, especially Maths, English and Science.

The trustees are managing these key risks and uncertainties by maintaining strong relationships with funders; including national and local government and referring schools, investing in staff training and development and establishing a building maintenance plan whilst ensuring prudent financial management practices.

The Academies Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

The Trust's priorities for the future period

Key priorities in 2020/21 are:

- To consolidate the improvements made at Everitt and Fen Rivers so that the weaknesses identified in inadequate judgements are addressed, standards are improving at pace to at least good and that any Ofsted monitoring evidences the trust is taking the necessary action.
- To continue to prioritise support for the uninspected academy and the two academies requiring improvement.
- To embed the new governance arrangements and updated scheme of delegation ensuring a firm grasp on strategic priorities, an accurate view of performance and robust challenge of the executive team and Headteachers when necessary.
- Continue to work on the Austen Academy free school project to ensure that it is rated good or better and is financially viable.

An overarching priority is to develop a coherent 'one Trust' identity underpinned by consistent approaches aligned with policy and ethos so that our systematic review and development processes across the portfolio of academies ensure our mission, values and educational intent:

- drives up standards in the quality of education,
- supports recruitment, retention and development of the best staff,

Also, going forward the Trust will seek to maximise its effectiveness in delivering for pupils through developing external focussed collaborations with other schools and wider alliances with stakeholders in the education system and locality-based strategic partnership working.

Trustees' Report (continued)

Auditors

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 28 January 2021 and signed on the board's behalf by:


chris wright (Jan 29, 2021 14:01 GMT)

.....
Chris Wright

Trustee

Governance Statement

Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Catch22 Multi Academies Trust Limited has an effective and appropriate system of control, financial and otherwise. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of trustees has delegated the day-to-day responsibility to the CEO as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and are in accordance with the requirements and responsibilities assigned to it in the funding agreement between Catch22 Multi Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that provided in the Trustees Report and in the Statement of Trustees Responsibilities. The board of trustees has formally met seven times this year. Attendance during the year at meetings of the board of trustees was as follows:

	Trustee Meetings attended	Out of a possible
Chris Wright	7	7
Katherine Grant	7	7
Kevin Munday	5	7
Francesca Pollard	5	7
Pauline Campbell	7	7

To ensure effective oversight of funds, the Chair and Trustees have received financial accounts on a monthly basis, with the Board reviewing at each meeting.

Review of Value for Money

As accounting officer of Catch22 Multi Academies Trust, the CEO is responsible and accountable for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer is aware of the guide to academy value for money statements published by the Education and Skills Funding Agency and understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. Set out below are the principles by which the accounting officer for the academy trust has delivered improved value for money during the year:

Governance Statement (continued)

- Establish and maintain strong Financial management & governance structures
- Oversee financial stability within the Trust and each Academy and top-slice appropriately
- Ensure our resources are used efficiently to maximise value for money
- Ensure growth and investment is focussed on delivering/maintaining high quality education provision

Running a Multi Academy Trust on core funding alone can be challenging so to further ensure financial sustainability and value for money, the Trust has:

Financial Management

1 - Implemented strong budget management and controls ensuring each Academy has ended the year with a healthy reserve.

2 – Applied for additional funding to facilitate MAT & school capacity to facilitate improvements to the quality of teaching and learning and improved outcomes.

3 – Applied for additional funding to ensure our buildings are maintained/improved to appropriate standards to facilitate smooth running of day to day activities

3 – Strong financial oversight through bi monthly review by the MAT board trustees of MAT and school level reports as well as oversight and approval of the latest Trust and schools budgets for 2020-21.

4 - Clear delegation schemes are in place for financial limits.

Purchasing

5 - Support services not considered core to the delivery of outstanding education such as marketing, IT, HR and finance processing has been out-sourced to Catch22 Charity Limited who have provided those services “at cost”.

Leadership

6 – Delivering efficient leadership consisting of 2 full time Executive Principals, a 0.6fte CFO, two Executive Vice-Principals. Additional resource, support and expertise in HR, Finance, IT and Premises by Catch22 Charity is provided where required, especially for the on-boarding of new schools.

Good use of external resources

7 - Encouraging Academies to share existing national resources and standardising systems and software across the Trust to ensure value for money.

Governance Statement (continued)

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Catch22 Multi Academies Trust Limited for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the trustee board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

Internal Audit

The board of trustees has considered the need for a specific internal audit function and has decided to utilise Catch22 Charity's separate finance and business administration and audit committees. All internal audit reports are also reviewed by the Trustees. These arrangements will be reviewed during 2020-21 as the Trust expands.

Governance Statement (continued)

Under the new internal audit programme, services rather than specific policies are reviewed and critically assessed. In order to do this, a risk framework has been developed to seek assurances across Catch22's group risk landscape. The audit assesses compliance against Safeguarding, Finance, People, Health & Safety, Data Protection risk pillars in the Multi Academy Trust.

The report sets out the audit's findings and levels of compliance across the 5 risk pillars, highlights where gaps have been found, and makes recommendations where improvements are needed.

The framework seeks to establish baseline metrics and key compliance questions to critically assess and provide assurance against important regulatory risk areas. These baseline questions are used as prompts for further analysis. Personnel files, incident logs, finance reports, training records and absence history are considered and reviewed whilst undertaking the audit. Dip tests are conducted on selected areas both centrally and locally within the provision.

Whilst carrying out an internal audit on an Academy, all information (including financial and incident data) is reviewed across the full academic year to enable the audit to gain a full view of the services typical delivery. This allows for a wider picture to be gathered and any trend analysis to be made.

The Internal Audit function for the Trust carries out an Academy based review each term with an additional review of central functions carried out on an annual basis. Latest reports are submitted to the next appropriate Trustees meeting.

Review of Effectiveness

As accounting officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of Catch22's finance and business administration and audit committees
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of any reviews of the system of internal control and plans to address any weaknesses identified and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 28 January 2021 and signed on its behalf by:


Chris Wright (Jan 29, 2021 14:01 GMT)

Chris Wright

Trustee


Jane Reed (Jan 29, 2021 13:11 GMT)

Jane Reed

Accounting Officer

Statement of Regularity, Propriety and Compliance

As accounting officer of Catch22 Multi Academies Trust Limited I have considered my responsibility to notify the academy trust board of trustees and the Education Schools Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.

Jane Reed
Jane Reed (Jan 29, 2021 13:11 GMT)

.....
Jane Reed

Catch22 Multi Academies Trust Limited Accounting Officer

Date: 28 January 2021

Statement of Trustees' Responsibilities

The trustees (who act as governors of Catch22 Multi Academies Trust Limited and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts direction 2019 to 2020.
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended. The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 28 January 2021 and signed on its behalf by:


chris.wright@catch22.ac.uk (Jan 29, 2021 14:01 GMT)

Chris Wright

Trustee

Catch22 Multi Academies Trust Limited

Independent Auditor's Report on the Financial Statements to the Members of Catch22 Multi Academies Trust Limited

Opinion

We have audited the financial statements of Catch22 Multi Academies Trust Limited ('the Academy Trust'), for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2019 to 2020 issued by the ESFA.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRS's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Catch22 Multi Academies Trust Limited

Independent Auditor's Report on the Financial Statements to the Members of Catch22 Multi Academies Trust Limited

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures or trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 25, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Catch22 Multi Academies Trust Limited

Independent Auditor's Report on the Financial Statements to the Members of Catch22 Multi Academies Trust Limited

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of this report

This report is made solely to the Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Trust's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP.

Date: 29/01/21

James Saunders (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Catch22 Multi Academies Trust Limited

Independent Reporting Accountant's Report on Regularity to Catch22 Multi Academies Trust Limited and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 16 July 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Catch22 Multi Academies Trust Limited during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Catch22 Multi Academies Trust Limited and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Catch22 Multi Academies Trust Limited and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Catch22 Multi Academies Trust Limited and the ESFA, for our work, or for the conclusion we have formed.

Respective responsibilities of Catch22 Multi Academies Trust Limited's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Catch22 Multi Academies Trust Limited's funding agreement with the Secretary of State for Education dated 27 August 2014 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

Catch22 Multi Academies Trust Limited

Independent Reporting Accountant's Report on Regularity to Catch22 Multi Academies Trust Limited and the Education and Skills Funding Agency (continued)

The work undertaken to draw to our conclusion includes:

- Review of financial records for unusual transactions;
- Sample testing expenditure transactions were reasonable, appropriate and appropriately authorised in accordance with the trust's procurement policy;
- Review the minutes of the Board meetings;
- Review the processes and controls to identify related party transactions and potential conflicts;
- Obtaining formal representations from the Board and the accounting officer;
- Reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referred to in our regularity report.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Moore Kingston Smith LLP.

Date: 29/01/21

James Saunders (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Catch22 Multi Academies Trust Limited

Statement of Financial Activities

For the year ended 31 August 2020

(including Income and Expenditure Account)

	Note	Restricted Pension Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2020 £000	Total 2019 £000
Income and endowments from:						
Donations and capital grants	2	(297)	-	7,385	7,088	318
Transfer from local authority on conversion	24	-	-	-	-	5,020
Charitable activities						
Funding for the Trust's educational operations	3	-	10,314	-	10,314	8,358
Total Income		(297)	10,314	7,385	17,402	13,696
Expenditure on:						
Charitable activities:						
Academy trust educational operations	5	734	9,938	241	10,913	8,953
Total Expenditure	4	734	9,938	241	10,913	8,953
Net income		(1,031)	376	7,144	6,489	4,743
Transfers between funds	13	317	(294)	(23)	-	-
Other recognised (losses)/gains:						
Actuarial (losses)/gains on defined benefit pension schemes	13, 21	(469)	-	-	(469)	(444)
Net movement in funds		(1,183)	82	7,121	6,020	4,299
Reconciliation of funds						
Total funds brought forward	13	(1,499)	1,203	19,206	18,910	14,611
Total funds carried forward		(2,682)	1,285	26,327	24,930	18,910

All of the Trust's activities derive from continuing operations during the above two financial periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

The detailed comparative information of the Statement of Financial Activities is included in note 26.

Catch22 Multi Academies Trust Limited

Balance Sheet
As at 31 August 2020

	Notes	2020 £000	2020 £000	2019 £000	2019 £000
Fixed assets					
Tangible assets	10		25,819		19,129
Current assets					
Debtors	11	813		411	
Cash at bank and in hand		1,831		1,560	
		<u>2,644</u>		<u>1,971</u>	
Liabilities					
Creditors : amounts falling due within one year	12	<u>(851)</u>		<u>(691)</u>	
Net current assets			1,793		1,280
Total assets less current liabilities			<u>27,612</u>		<u>20,409</u>
Net assets excluding pension liability					
			27,612		20,409
Defined benefit pension scheme liability	21		(2,682)		(1,499)
Total net assets			<u>24,930</u>		<u>18,910</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	13	26,327		19,206	
General fund	13	1,285		1,203	
Pension reserve	13	<u>(2,682)</u>		<u>(1,499)</u>	
Total restricted funds			24,930		18,910
Total funds			<u>24,930</u>		<u>18,910</u>

The financial statements on pages 31 to 53 were approved by the trustees, and authorised for issue on 28 January 2021 and are signed on their behalf by:


chris.wright@catch22.ac.uk (Jan 29, 2021 14:01 GMT)

Chris Wright
Trustee

Company number 08299181

Catch22 Multi Academies Trust Limited
Statement of Cash Flows
For the year ended 31 August 2020

	Notes	2020 £000	2019 £000
Cash flows from operating activities			
Net cash provided by operating activities	15	6,547	4,724
Cash flows used in investing activities			
	16	(6,276)	(4,702)
Cash flows from financing activities			
	17	-	-
Change in cash and cash equivalents in the reporting period	18	<u>271</u>	<u>22</u>
Cash and cash equivalents at 1 September 2019		1,560	1,538
Cash and cash equivalents at 31 August 2020		<u>1,831</u>	<u>1,560</u>

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements
For the year ended 31 August 2020

1 Statement of Accounting Policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

Company Information

Catch22 Multi Academies Trust Limited is a private company limited by guarantee, domiciled and incorporated in England and Wales. The registered office is 27 Pear Street, London, EC1V 3AG.

Basis of Preparation

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: 'Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest thousand pounds.

Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements, and have considered the impact of the COVID-19 pandemic on budgets and forecasts. The global pandemic has had minimal impact on financial position and operations of the trust and therefore the trustees have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All incoming resources are recognised when the Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Government grants

Government grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is an unconditional entitlement to the grant and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship Income

Sponsorship income provided to the Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions) where the receipt is probable and it can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other Income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Trust has provided the goods or services.

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

1 Statement of Accounting Policies (continued)

Donated Goods, Facilities and Services

The value of donated services and gifts in kind provided to the Trust are recognised at fair value in the period in which they are receivable as incoming resources, where the benefit to the Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies.

Transfer on conversion

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust. An equal amount of income is recognised as Transfer on conversion within Donations and capital grant income on the face of the Statement of Financial Activities.

Transfer of existing academies into the academy trust

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within Donations and capital grant income to the net assets acquired.

Donated fixed assets (excluding transfers on conversion/into the academy trust)

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Charitable Activities

These are costs incurred on the Trust's educational operations, including support costs and costs relating to governance of the Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Expenditure that is normally capitalised includes property and related expenditure on fixtures and fittings, purchases of computer hardware, furniture and equipment. Expenditure of less than £1,000 is not normally capitalised (the exception being some items of IT equipment) and is taken into account in full in the year of purchase. Capitalised assets are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Long leasehold buildings	0.8% (over 125 year lease term)
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A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

1 Statement of Accounting Policies (continued)

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in the settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods and services it must provide.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, only when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Basic Financial Assets

Basic financial assets, which include trade and other receivables, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Prepayments are not financial instruments.

Derecognition of Financial

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Cash at bank and in hand

Cash at bank and in hand comprise cash and cash equivalents which include cash in hand, deposits held at call with banks and other short term liquid investments with original maturities of three months or less. These are classified as basic financial instruments and are measured at face value.

Classification of Financial Liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Basic Financial Liabilities

Basic financial liabilities, include trade creditors, accruals and other creditors, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to group undertakings are held at face value less any impairment.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of Financial Liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

1 Statement of Accounting Policies (continued)

Pensions Benefits (continued)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS' are funded schemes and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of the scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Trust at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

Restricted pension reserves are resources or liabilities relating to the trust's obligations to the Local Government Pension Schemes, of which some of its employees are members.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency and the Department for Education.

Critical Accounting Estimates and Areas of Judgment

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Local Government Pension Scheme

The present value of the Local Government Pension Schemes defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Land and buildings transferred on conversion

Long leasehold title of land and buildings have been transferred to the trust at £nil consideration. The premises have been recognised in the Trust's accounts at the best estimate of their fair value as at the date of conversion. This was estimated at the most recent valuation figures provided by the transferring local authority, as a best approximation of fair value.

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

2 Donations and capital grants

	Restricted Pension Funds £000	Restricted Fixed Asset Funds £000	Total 2020 £000	Total 2019 £000
Transfer of existing academies into the academy trust (See note 25)	(297)	3,730	3,433	-
Transferred from local authority	-	3,100	3,100	-
Capital grants	-	555	555	318
	<u>(297)</u>	<u>7,385</u>	<u>7,088</u>	<u>318</u>
2019 total	<u>-</u>	<u>318</u>	<u>318</u>	

3 Funding for the Academy Trust's educational operations

	Total 2020 £000	Total 2019 £000
Restricted funds		
DfE / ESFA grants		
General Annual Grant (GAG)	3,705	3,083
Start Up Grants	103	207
Other DfE/ESFA grants	618	346
	<u>4,426</u>	<u>3,636</u>
Other Government grants		
Local authority grants	5,220	4,178
	<u>5,220</u>	<u>4,178</u>
Other income from the academy trust's education operations		
	668	544
	<u>10,314</u>	<u>8,358</u>

4 Expenditure

	Staff Costs £000	Non Pay Expenditure Premises £000	Other Costs £000	Total 2020 £000	Total 2019 £000
Academy's educational operations					
Direct costs	6,666	-	858	7,524	5,989
Allocated support costs	1,270	929	1,190	3,389	2,964
	<u>7,936</u>	<u>929</u>	<u>2,048</u>	<u>10,913</u>	<u>8,953</u>
2019 total	<u>6,166</u>	<u>990</u>	<u>1,797</u>	<u>8,953</u>	

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

4 Expenditure (continued)

Net income/(expenditure) for the period includes:	2020	2019
	£000	£000
Depreciation	141	118
Fees payable to auditor:		
Audit	11	11
Non-audit services:	7	11
	<u> </u>	<u> </u>

Included within expenditure are the following transactions:

	Total	Individual items above £5,000:	
	£	Amount £	Reason
• Compensation payments	19,102	11,500	Loss of office by mutual agreement

5 Charitable activities

	Total	Total
	2020	2019
	£000	£000
Direct costs - educational operations	7,524	5,989
Support costs - educational operations	3,389	2,964
	<u>10,913</u>	<u>8,953</u>

	Total	Total
	2020	2019
	£000	£000
Support costs - educational operations		
Support staff costs	1,270	928
Depreciation	141	118
Technology costs	421	337
Premises costs	790	872
Support services from group companies	253	228
Pension finance costs	35	20
Other support costs	457	433
Governance costs	22	28
Total support costs	<u>3,389</u>	<u>2,964</u>

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

6 Staff

a. Staff costs

Staff costs during the period were:

	Total 2020 £000	Total 2019 £000
Wages and salaries	4,874	4,103
Social security costs	476	401
Operating costs of defined benefit pension schemes	1,357	881
	6,707	5,385
Supply staff costs	1,096	644
Recharged staff costs from group undertakings	132	137
Staff restructuring costs: severance payments	-	50
	7,935	6,216

b. Staff numbers

The average number of persons employed by the trust during the period was as follows:

	2020 No.	2019 No.
Charitable Activities		
Teachers	67	56
Administration and educational support	108	91
Management	13	14
	188	161

c. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020 No.	2019 No.
£60,001 - £70,000	4	4
£70,001 - £80,000	1	1

d. Key management personnel

Key management personnel of the Trust comprises the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £266,758 (2019: £218,325).

Key management employed by Catch22 Charity Limited and the cost of their employee benefits, included in the amount above, in relation to time spent providing services to the academy trust are recharged to the academy trust by Catch22 and amounted to £82,961 (2019: £81,103).

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

7 Related Party Transactions - Trustees' Remuneration & Expenses

No trustees have been paid remuneration or received other benefits from an employment with the academy trust.

During the year ended 31 August 2020, no expenses were reimbursed to trustees (2019: nil).

8 Trustees' and Officers' Insurance

The academy trust has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

9 Central Services

The academy trust has provided the following central services to its academies during the year:

- human resources (HR)
- financial services
- legal services
- facilities management
- educational support services

The trust charges for these services on a flat percentage of core income, at 6% (2019: 6%)

At the Balance Sheet date an additional charge was made of 10% of in-year surpluses from those open schools making a surplus in the year.

In the prior year, an additional charge was made at the Balance Sheet date of 10% of open schools' revenue reserves, to account for the level of central services provided which had been underfunded.

The total amounts charged during the year were as follows:

	2020	2019
	£000	£000
The Ashwood Academy	106	107
The Brunel Academy	90	128
The Burton Academy	88	103
The Spires Academy	70	82
The Everitt Academy	81	103
The Fen Rivers Academy	93	73
The Coppice Spring Academy	103	-
	631	596

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

10 Tangible Fixed Assets

	Leasehold Land and Buildings £000	Total £000
Cost		
At 1 September 2019	19,334	19,334
Additions	6,831	6,831
At 31 August 2020	<u>26,165</u>	<u>26,165</u>
Depreciation		
At 1 September 2019	205	205
Charged in period	141	141
At 31 August 2020	<u>346</u>	<u>346</u>
Net book values		
At 31 August 2020	<u>25,819</u>	<u>25,819</u>
At 1 September 2019	<u>19,129</u>	<u>19,129</u>

11 Debtors

	2020 £000	2019 £000
Trade debtors	112	100
VAT recoverable	86	120
Amounts due from group undertakings	-	14
Prepayments and accrued income	615	177
	<u>813</u>	<u>411</u>

12 Creditors: Amounts falling due within one year

	2020 £000	2019 £000
Trade creditors	280	227
Other taxation and social security	111	96
Amounts due to group undertakings	34	-
Other creditors	119	82
Accruals and deferred income	307	286
	<u>851</u>	<u>691</u>

Deferred income

	2020 £000	2019 £000
Deferred Income at 1 September 2019	1	65
Released from previous years	(1)	(65)
Resources deferred in the year	9	1
Deferred Income at 31 August 2020	<u>9</u>	<u>1</u>

At the balance sheet date the academy trust was holding funds received in advance for services in the next financial year.

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

13 Funds

	Balance at 1 September 2019 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses & Transfers £000	Balance at 31 August 2020 £000
Restricted general funds					
General Annual Grant (GAG)	-	3,705	(3,705)	-	-
Start Up Grants	91	103	(86)	-	108
Other DfE/ESFA grants	-	618	(618)	-	-
Local Authority grants	1,112	5,220	(4,861)	(294)	1,177
Other grants	-	668	(668)	-	-
	<u>1,203</u>	<u>10,314</u>	<u>(9,938)</u>	<u>(294)</u>	<u>1,285</u>
Pension Reserve	(1,499)	(297)	(734)	(152)	(2,682)
	<u>(1,499)</u>	<u>(297)</u>	<u>(734)</u>	<u>(152)</u>	<u>(2,682)</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	77	555	(100)	(24)	508
Fixed assets held	19,129	6,830	(141)	1	25,819
	<u>19,206</u>	<u>7,385</u>	<u>(241)</u>	<u>(23)</u>	<u>26,327</u>
Total restricted funds	<u>18,910</u>	<u>17,402</u>	<u>(10,913)</u>	<u>(469)</u>	<u>24,930</u>

The specific purposes for which the funds are to be applied are as follows:

Restricted general funds

This includes all monies received from the ESFA to carry out the objectives of the Trust. It includes the School Budget Share.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Pension reserve

This represents the negative reserve in respect of the liability on the three LGPS defined benefit pension schemes. Resources expended comprise the current service cost and finance cost for the year. £318,000 transfer into the pension reserve represents the employer contribution payment against the deficit, from revenue funds, with a £767,000 actuarial loss creating a net loss and transfer of £449,000.

Fixed asset fund

The fixed asset fund includes grants received from the DfE and other sources to finance the development and building of the academy and other tangible fixed assets, and the annual charges for depreciation of these assets. Funds transferred from the restricted fixed asset funds to the restricted general funds represent ESFA grants used towards repairs and maintenance costs of fixed assets at the schools.

Unrestricted funds

Unrestricted funds represent those resources which may be used towards meeting any of the charitable objects of the Trust at the discretion of the trustees.

Transfers between funds

Transfers from the restricted general fund to the pension reserve relate to the payments made from GAG funds towards reducing the LGPS defined benefit pension scheme liability.

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)
For the year ended 31 August 2020

13 Funds (continued)

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2018 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses & Transfers £000	Balance at 31 August 2019 £000
Restricted general funds					
General Annual Grant (GAG)	-	3,083	(3,083)	-	-
Start Up Grants	-	207	(116)	-	91
Other DfE/ESFA grants	-	346	(346)	-	-
Local Authority grants	1,027	4,178	(3,834)	(259)	1,112
Other grants	-	544	(544)	-	-
	<u>1,027</u>	<u>8,358</u>	<u>(7,923)</u>	<u>(259)</u>	<u>1,203</u>
Pension Reserve	(811)	-	(503)	(185)	(1,499)
	<u>(811)</u>	<u>-</u>	<u>(503)</u>	<u>(185)</u>	<u>(1,499)</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	-	318	(241)	-	77
Fixed assets held	14,395	5,020	(286)	-	19,129
	<u>14,395</u>	<u>5,338</u>	<u>(527)</u>	<u>-</u>	<u>19,206</u>
Total restricted funds	<u>14,611</u>	<u>13,696</u>	<u>(8,953)</u>	<u>(444)</u>	<u>18,910</u>

Analysis of funds by academy balance

	2020 £000	2019 £000
Restricted general funds		
The Ashwood Academy	320	186
The Brunel Academy	395	311
The Burton Academy	179	210
The Spires Academy	73	183
The Everitt Academy	142	212
The Fen Rivers Academy	187	52
The Coppice Springs Academy	84	37
The Austen Academy	108	54
Central Services	(203)	(42)
	<u>1,285</u>	<u>1,203</u>
Pension Reserve	(2,682)	(1,499)
Restricted fixed asset funds	26,327	19,206
Total restricted funds	<u>24,930</u>	<u>18,910</u>

Central Services is carrying a net deficit of £203k on these funds because higher levels of central services have been required during the trust's period of growth and consolidation. The trust is reviewing the central service charge made to academies, and believes the Central Services position will return to surplus as the trust becomes more established.

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

13 Funds (continued)

Total cost analysis by academy

Expenditure incurred by each academy during the period was as follows:

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs (excluding Depreciation) £000	Total 2020 £000
The Ashwood Academy	923	279	10	248	1,460
The Brunel Academy	931	271	17	224	1,443
The Burton Academy	687	213	100	338	1,338
Torbay Academies	-	-	-	-	-
The Spires Academy	797	97	25	403	1,322
The Everitt Academy	811	148	129	306	1,394
The Fen Rivers Academy	797	95	12	214	1,118
The Coppice Springs Academy	1,144	90	25	284	1,543
The Austen Academy	18	11	-	7	36
Central Services	560	66	-	392	1,018
Academy Trust	6,668	1,270	318	2,416	10,672

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs (excluding Depreciation) £000	Total 2019 £000
The Ashwood Academy	929	160	8	285	1,382
The Brunel Academy	953	271	15	319	1,558
The Burton Academy	733	146	50	379	1,308
Torbay Academies	-	-	-	-	-
The Spires Academy	653	48	20	245	966
The Everitt Academy	763	107	35	398	1,303
The Fen Rivers Academy	717	81	50	116	964
The Coppice Springs Academy	-	13	-	20	33
The Austen Academy	16	17	-	-	33
Central Services	475	87	-	317	879
Academy Trust	5,239	930	178	2,079	8,426

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

14 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Restricted Pension Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	25,819	25,819
Current assets	-	2,136	508	2,644
Current liabilities	-	(851)	-	(851)
Pension scheme liability	(2,682)	-	-	(2,682)
Total net assets	(2,682)	1,285	26,327	24,930

Comparative information in respect of the preceding period is as follows:

	Restricted Pension Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	19,129	19,129
Current assets	-	1,894	77	1,971
Current liabilities	-	(691)	-	(691)
Pension scheme liability	(1,499)	-	-	(1,499)
Total net assets	(1,499)	1,203	19,206	18,910

15 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2020 £000	2019 £000
Net income for the reporting period (as per the statement of financial activities)	6,489	4,743
Adjusted for:		
Depreciation [note 10]	141	118
Loss on disposal of fixed assets	-	168
Capital Grants from DfE and other capital income	(555)	(318)
Defined benefit pension scheme deficit brought in on transfer	297	-
Defined benefit pension scheme cost less contributions payable [note 21]	382	224
Defined benefit pension scheme finance cost [note 21]	35	20
Decrease/(Increase) in debtors	(402)	(70)
(Decrease)/Increase in creditors	160	(161)
Net Cash provided by operating activities	6,547	4,724

16 Cash flows from investing activities

	2020 £000	2019 £000
Purchase of tangible fixed assets		
Revaluation of tangible fixed assets	(6,831)	(5,020)
Capital grants from DfE/ESFA	555	318
Net cash used in investing activities	(6,276)	(4,702)

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

17 Cash flows from financing activities

	2020 £000	2019 £000
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Net cash provided by / (used in) financing activities	-	-

18 Analysis of cash and cash equivalents

	2020 £000	2019 £000
Cash in hand and at bank	1,833	1,560

19 Contingent Liabilities

There are no contingent liabilities to disclose in the accounts.

20 Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

21 Pension and Similar Obligations

The Trust's employees belong to six principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Schemes (LGPS) for non-teaching staff, consisting of the Hampshire County Council Pension Fund which is managed by Hampshire County Council for Ashwood Academy and The Coppice Springs Academy staff, the Northamptonshire Pension Fund which is managed by Northamptonshire County Council for the Spires Academy staff, the Devon County Council Pension Fund which is managed by Devon County Council for the Burton Academy and Brunel Academy staff in Torbay, the Norfolk County Council pension fund which is managed by Norfolk County Council for Fen Rivers Academy, and the Suffolk County Council pension fund which is managed by Suffolk County Council for Everitt Academy.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the five LGPS schemes, 31 March 2019.

Contributions amount to £111,387 were payable to the schemes at 31 August 2020 (2019: £82,217) and are included within other creditors payable within one year.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)
For the year ended 31 August 2020

21 Pension and Similar Obligations (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS affecting contributions during the year was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £665,000 (2019: £406,000).

A copy of the valuation report and supporting documentation is available on the Teachers' Pensions website.

Under the definitions set out in FRS102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

The LGPS' are funded defined benefit pension schemes, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £410,000 (2019: £332,000), of which employer's contributions totalled £317,000 (2019: £259,000) and employees' contributions totalled £93,000 (2019: £73,000). The agreed contribution rates for future years is between 6.5 and 16.9 per cent for employers and is between 5.5 and 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal Actuarial Assumptions

	At 31 August 2020 Hampshire	At 31 August 2020 Norfolk	At 31 August 2020 Northamptonshire	At 31 August 2020 Suffolk	At 31 August 2020 Torbay
Rate of increase in salaries	3.30%	2.90%	2.70%	2.90%	3.20%
Rate of increase for pensions in payment/inflation	2.30%	2.20%	2.20%	2.20%	2.20%
Discount rate for scheme liabilities	1.70%	1.70%	1.70%	1.70%	1.65%
Inflation assumption (CPI)	2.30%	2.20%	2.20%	2.20%	2.20%
RPI Inflation	3.30%	3.20%	3.20%	3.20%	3.20%
	At 31 August 2019 Hampshire	At 31 August 2019 Norfolk	At 31 August 2019 Northamptonshire	At 31 August 2019 Suffolk	At 31 August 2019 Torbay
Rate of increase in salaries	3.60%	2.60%	2.60%	2.30%	2.15%
Rate of increase for pensions in payment/inflation	2.10%	2.30%	2.30%	2.30%	2.15%
Discount rate for scheme liabilities	1.90%	1.90%	1.90%	1.90%	1.90%
Inflation assumption (CPI)	2.10%	2.30%	2.30%	2.30%	2.15%
RPI Inflation	3.10%	3.30%	3.30%	3.30%	3.15%

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

21 Pension and Similar Obligations (continued)

Sensitivity Analysis

Approximate monetary increase to the obligation as a result of the following changes in assumptions at 31 August 2020 are set out below:

	At 31 August 2020 £000	At 31 August 2019 £000
Hampshire		
0.1% increase in the salary increase rate	5	5
0.1% increase in the pension increase rate	56	15
0.1% decrease in real discount rate	64	19
Northamptonshire		
0.5% increase in the salary increase rate	-	-
0.5% increase in the pension increase rate	40	47
0.5% decrease in real discount rate	40	48
Torbay		
0.1% increase in the salary increase rate	1	3
0.1% increase in the pension increase rate	62	52
0.1% decrease in real discount rate	63	55
Norfolk		
0.5% increase in the salary rate	3	-
0.5% increase in the pension increase rate	42	24
0.5% decrease in real discount rate	46	24
Suffolk		
0.5% increase in the salary rate	-	-
0.5% increase in the pension increase rate	56	27
0.5% decrease in real discount rate	57	27

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 August 2020 Hampshire	At 31 August 2020 Norfolk	At 31 August 2020 Northamptonshire	At 31 August 2020 Suffolk	At 31 August 2020 Torbay
<i>Retiring today</i>					
Males	23.0 years	21.7 years	21.5 years	21.9 years	22.9 years
Females	25.5 years	23.9 years	23.7 years	24.1 years	24.1 years
<i>Retiring in 20 years</i>					
Males	24.7 years	22.8 years	22.3 years	22.7 years	24.3 years
Females	27.2 years	25.5 years	25.1 years	25.6 years	25.5 years
	At 31 August 2019 Hampshire	At 31 August 2019 Norfolk	At 31 August 2019 Northamptonshire	At 31 August 2019 Suffolk	At 31 August 2019 Torbay
<i>Retiring today</i>					
Males	23.1 years	21.1 years	22.1 years	21.3 years	22.5 years
Females	25.8 years	23.5 years	24.2 years	23.5 years	24.4 years
<i>Retiring in 20 years</i>					
Males	24.7 years	22.4 years	23.9 years	22.3 years	24.2 years
Females	27.6 years	25.0 years	26.1 years	24.9 years	26.2 years

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

21 Pension and Similar Obligations (continued)

The Trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	Fair value at 31 August 2020 £000	Fair value at 31 August 2019 £000
Equities	1,448	872
Government Bonds	403	135
Property	185	206
Corporate Bonds	36	13
Cash	49	28
Other	371	207
Total market value of assets	2,492	1,461
Amount recognised in the statement of financial activities	2020 £000	2019 £000
Current service cost	(699)	(427)
Past service cost	-	(56)
Net interest cost	(35)	(20)
Total operating charge	(734)	(503)
Change in the present value of defined benefit obligations were as follows:	2020 £000	2019 £000
At 1 September	2,960	1,909
Transfer of existing academy	836	-
Current service cost	699	427
Past service cost	-	56
Interest cost	76	55
Employee contributions	93	73
Actuarial loss	535	472
Benefits paid	(25)	(32)
At 31 August	5,174	2,960
Change in the fair value of the Trust's share of scheme assets:	2020 £000	2019 £000
At 1 September	1,461	1,098
Transfer of existing academy	539	-
Interest income	41	35
Contributions by members	93	73
Contributions by the employer	317	259
Actuarial gain	66	28
Benefits paid	(25)	(32)
At 31 August	2,492	1,461

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

22 Related Party Transactions

Owing to the nature of the Trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures. The following related party transactions took place in the period of account:

- Catch22 Multi Academies Trust is sponsored by Catch22 Charity Ltd ("Catch22"), which is also a member of Catch22 Multi Academies Trust. Catch22 is a registered charity. Some of the trustees of the Multi Academies Trust during the year were provided by and connected to Catch22, consisting of Chris Wright (CEO of Catch22) and Pamela Dow (Chief Reform Officer at Catch22).
- During the year Catch22 made payments on behalf of Catch22 Multi Academies Trust, principally in relation to services it procures for the wider Catch22 group. These included IT equipment and maintenance, and travel and subsistence costs. In addition, Catch22 provided support services to the academy trust including HR, finance, IT and facilities management support and members of the senior management team. This support included both services to support the day to day running of the MAT and opening of new Academies.
- Also during the year the Catch22 Multi Academies Trust provided educational support services to Catch22.

The amounts recharged and the services provided by Catch22 to Catch22 Multi Academies Trust during the year were:

	2020 £000	2019 £000
Services provided by Catch22	389	379
Rent paid to Catch22	-	3
Payments recharged by Catch22	47	108
	<u>436</u>	<u>490</u>
Services provided by the academy trust to Catch22	230	273
	<u>230</u>	<u>273</u>

At the balance sheet date the academy trust owed Catch22 £18,441 from Catch22 (2019: the academy trust was owed £14,118).

All of the amounts charged by Catch22 were at cost, in line with the Sponsor Agreement setting out the relationship between the Trust and Catch22 Charity.

23 Ultimate Parent

The trust's ultimate parent company is Catch22 Charity Limited, which is the parent of both the smallest and largest group of which the trust is a member. It is a charitable company (company number 06577534 and charity number 1124127) registered in England and Wales, to promote opportunities for the development, education and support of young people in need. Copies of the consolidated financial statements of Catch22 Charity Limited are available from Companies House.

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

24 Transfer on Conversion

On 1 September 2017 The Everitt Academy and on 1 June 2018 The Fen Rivers Academy converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Catch22 Multi Academies Trust from Norfolk County Council and Suffolk County Council respectively, for £nil consideration.

The transfer was accounted for in the comparative period as a combination that is in substance a gift. The assets and liabilities transferred were valued at the best estimate of their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations – transfer from local authority on conversion.

During the comparative period the land and buildings at these schools were revalued following receipt of the land and buildings valuation as at 31 August 2018 performed by Montagu Evans. The increase in valuation of land and buildings was as follows:

	Unrestricted Funds £000	Total £000
Tangible fixed assets		
Leasehold land and buildings, in respect of prior periods	5,020	5,020
Net assets	<u>5,020</u>	<u>5,020</u>

25 Transfer of existing academies into the Trust

On 1 September 2019 The Coppice Spring Academy was transferred to the Trust from the Delta Education Trust. Balances transferred in are detailed below. Values as reported by the transferring trust were not available for disclosure.

	Transfer in recognised £000
Tangible fixed assets	
Leasehold land and buildings	3,730
Pensions	
Pension scheme assets	539
Pension scheme liabilities	(836)
Net assets	<u>3,433</u>

Catch22 Multi Academies Trust Limited

Notes to the Financial Statements (continued)

For the year ended 31 August 2020

26 Comparative Statement of Financial Activities

	Restricted Pension Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2019 £000
Income and endowments from:				
Donations and capital grants	-	-	318	318
Transfer from local authority on conversion	-	-	5,020	5,020
Charitable activities				
Funding for the Trust's educational operations	-	8,358	-	8,358
Total Income	-	8,358	5,338	13,696
Expenditure on:				
Charitable activities:				
Academy trust educational operations	503	7,923	527	8,953
Total Expenditure	503	7,923	527	8,953
Net income	(503)	435	4,811	4,743
Transfers between funds	259	(259)	-	-
Other recognised gains/(losses):				
Actuarial gains/(losses) on defined benefit pension schemes	(444)	-	-	(444)
Net movement in funds	(688)	176	4,811	4,299
Reconciliation of funds				
Total funds brought forward	(811)	1,027	14,395	14,611
Total funds carried forward	(1,499)	1,203	19,206	18,910